



State of California

Employment Training Panel

Arnold Schwarzenegger, Governor

March 6, 2008

Mr. Alan Ichikawa
Learning / Work Process/Organizational Effectiveness Leader
The Dow Chemical Company
901 Loveridge Road
Pittsburg, CA 94565

Dear Mr. Ichikawa:

RE: **FINAL MONITORING VISIT REPORT** for **The Dow Chemical Company – ET06-0175**

Date of the Visit:	February 26, 2008 and March 6, 2008
Beginning/Ending Time:	12:00 pm – 2:15 pm and 7:30 am
Date of Last Visit:	March 22, 2007
Visit Location:	Pittsburg, CA and Sacramento, CA
Persons in attendance:	George Russo, Site Learning Coordinator for The Dow Chemical Company; and Program Analyst Julio Basquez and Kristie Ohta from the Employment Training Panel
Action Required:	NO

Term of Agreement:	November 1, 2005 October 31, 2007	Agreement Amount:	\$255,190
Training Start Date:	November 1, 2005	No. to Retain:	302
Date Training must be Completed:	July 31, 2007	Range of Hours:	24 - 200
Type of Trainee:	Retrainee	Weighted Ave. Hours:	65

FINAL REPORT SUMMARY:

The Agreement was executed on November 22, 2005 and training began on November 1, 2005. Your staff reported that all training was completed on July 31, 2007, which allowed for the 90-day retention period to be completed within the term ending date of the Agreement – October 31, 2007.

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- **Interview with Mr. George Russo, Site Learning Coordinator**

- What barriers, if any, did your company experience in implementing your ETP project?

I didn't find any major barriers or roadblocks with the ETP process. The biggest challenge for us was getting our employees to sign enrollment forms and returning their completed forms back to Human Resources timely so we enter into the ETP database. Employees did question why they needed to complete the enrollment form especially when they want to protect their personal information e.g. SSN#. It could help if we could have a short written explanation of what and or how the information is used by the State.

- What problems, if any, did your company experience with ETP record keeping?

Once we agreed on a record keeping process with expectations / responsibilities our record keeping went fairly smooth. A small issue was requiring student to sign 2 rosters e.g. Dow rosters and ETP rosters.

We did have early issues with a few students and or instructors not signing rosters for whatever reason.

- What assistance could ETP have provided that would improve the process for future Contractors?

I would suggest – quarterly check ups – how is it going questions or do you have any questions or help with next steps. Initiate a short 5 minute telephone call to help address questions.

- How did your company benefit from the ETP training?

Due to the high costs of several technical training courses we were able to deliver training and or send folks to training that we would not have been able to without the support funding from ETP. I truly believe our employees' knowledge and skills have increased as a result of training they received through the ETP contract. Our Environmental Health and Safety Performance has made significant improvements which pleases our corporate executives who make decisions on where to invest money in new facilities, jobs, etc.

Mr. Russo provided Ms. Ohta with projected statistics for the closeout of the Agreement. According to your records at the time of this final meeting, you expected to retain a total of 274(91% percent of planned retentions) trainees for a total reimbursement of \$247,000, (97 percent of the encumbered amount). Mr. Russo stated that the closeout invoice will be submitted by March 1, 2008.

The Dow Chemical Company records show that 274 trainees have completed training (91% of planned retentions) and 272 trainees have completed the 90 day retention period (91% of planned retentions). The Dow Chemical Company projects earnings to be \$247,000 (97% of the encumbered total \$255,190). Current records show that The Dow Chemical Company has received \$184,256.25 in progress payments. Ms. Ohta reminded Mr. Russo that the closeout invoice should be submitted no later than 30 days after the end term date of the Agreement

PROJECT STATUS PROVIDED BY THE CONTRACTOR:

Planned Number of Trainees:	302	Total Agreement Hours:	19,630
Trainees Started Training:	385	Training Hours Recorded:	19,000
Trainees Completed 8 hours:	274	Trainees Completed Training:	274
Trainees Completed Minimum Hours:	274	Training Hours Potentially Reimbursable:	19,000

ATTENDANCE ROSTERS:

Ms. Ohta reviewed class/lab rosters ten trainees and found them to be completed correctly. All rosters reviewed met Panel requirements for documenting the training. This finding is based only on the training records reviewed during this visit and represents only a sampling of the training records completed to date. It is your responsibility to ensure that all training records are in compliance with Panel requirements for auditing purposes.

AUDIT:

The Dow Chemical Company will be notified in writing if this agreement is selected for an audit that will be conducted either at your site (field audit) or by telephone if selected for a desk audit (or "review"). These notifications will be sent in advance to allow ample preparation time and will include a list of documentation that will be examined by the auditor. A list of the documentation typically examined during an audit will be included along with the Audit Notification and Audit Confirmation letters. To provide support of training, original training attendance documentation is required; photocopied records are not acceptable. Listed below are types of records typically requested during an ETP field audit:

- Training attendance records such as rosters, sign-in sheets, etc.
- Payroll records of individual trainees to verify wage and hours worked
- Personnel records regarding occupation and dates of employment
- Documentation of employer paid health benefits (if applicable)
- Cash receipts to verify receipt and accounting of ETP funds

RECORD RETENTION:

Records must be retained within your control and be available for review at your place of business within the State of California. This responsibility will terminate no sooner than four (4) years from the date of the termination of the Agreement or three (3) years from the date of the last payment by ETP to the Contractor, or the date of resolution of appeals, audits, claims, exceptions, or litigation, whichever is later.

If you have any questions regarding this report, please contact Program Analyst, Kristie Ohta at 916-327-5586 or kohta@etp.ca.gov, within ten (10) days from receipt of this report.

Sincerely,

Handwritten signature of Ruby Cohen in black ink.

Ruby Cohen, Manager
Sacramento Regional Office

Handwritten signature of Kristie Ohta in black ink.

Kristie Ohta, Program Analyst
Sacramento Regional Office

cc: George Russo – gprusso@dow.com
Kulbir Mayall – Fiscal Manager
David Guzman - Program Operations Division Chief
Master File
Project File